



Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC # 050-2005) May 26, 2005

Sao Paulo Alpargatas – ADR representing Ordinary Shares (OTC:SAALY)
Sao Paulo Alpargatas – ADR representing Preferred Shares (OTC:SAANY)

Concurrent with a 1-100 Reverse Stock Split of the ordinary & preferred shares of Sao Paulo Alpargatas, the outstanding ADRs (SAALY & SAANY) have undergone a ratio change from 1 ADR representing 50 ordinary & preferred shares (1:50) to 2 ADRs representing 1 ordinary & preferred share (2:1).

The ratio change will be effective June 9, 2005 and should not result in a price adjustment to SAALY or SAANY.

Questions regarding the split of the ordinary shares should be directed to the Agent: Bank of New York.

Questions regarding this notice should be directed to: Market Integrity Department, 203.375.9609.

Tara Petta
Associate Director